

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY

Voluntary _ Public

Date: 2/23/2017

GAIN Report Number: ET1706

Ethiopia

Post: Addis Ababa

Ethiopia Awards Tender for 400,000 MT of Imported Milling Wheat

Report Categories:

Grain and Feed

Approved By:

Michael G. Francom, Ag Counselor

Prepared By:

FAS/Addis

Report Highlights:

Ethiopia recently awarded a tender for 400,000 metric tons of imported milling wheat, valued at nearly \$91 million, to Promising International, ADM International, and Phoenix Commodities. The awarded tender volumes are almost evenly divided at about 133,333, with an average contract price of just above \$225 per metric ton. Delivery is expected within the next three months.

Ethiopia Awards Tender for 400,000 MT of Imported Milling Wheat:

According to local <u>news reports</u>, on February 16, the Government of Ethiopia (GOE) stated that it had awarded the <u>earlier-announced tender</u> for 400,000 metric tons of imported milling wheat to three international grain trading companies, Promising International, ADM International, and Phoenix Commodities, at a total cost of nearly \$91 million.

The tender was nearly evenly split between the three companies at about 133,333 metric tons a piece, with an average offer price of just above \$225 per metric tons. Based on past import trends, Post expects that the majority of the contracted wheat will come from the Black Sea Region. Delivery is expected at the Port of Djibouti within the next three months using the Ethiopian Shipping & Logistic Services Enterprise. The wheat will be used for subsidized bread production.

Promising Internarial and Phoenix Commodities have competed in previous GOE tenders for imported milling wheat, but this appears to be the first time that ADM has participated.